

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF OHIO
EASTERN DIVISION**

DIGITAL MEDIA SOLUTIONS, LLC,)	CASE NO. 1:19-cv-145
)	
Plaintiff,)	JUDGE DAN AARON POLSTER
)	
v.)	MAGISTRATE JUDGE
)	THOMAS M. PARKER
SOUTH UNIVERSITY OF OHIO, LLC)	
<i>et al.</i> ,)	
)	
Defendants.)	

**RECEIVER’S MOTION FOR EXTENSION OF TIME TO PROPOSE PLAN TO
MIGRATE DATA AND OPERATIONS TO SOUTH AND/OR STUDIO**

During the course of the hearing conducted March 11, 2019, representatives of Studio Enterprise Manager, LLC (“Studio”) and Dream Center South University, LLC (“South”) explained to the Court that it would take as many as six months to migrate the software and data needed to run the South and Art Institute school systems onto independent platforms. The Court subsequently entered an order requiring “Studio and the Receiver to submit to the Court, no later than March 26, 2019, a detailed plan for the extrication of ongoing South University and the Art Institute entities from the DCEH Holdings, LLC IT platform within six months from the date of this Order.” Minutes of Proceedings and Order, March 14, 2019 (Doc. 162).

Starting on Friday, March 22, Studio and South began providing the Receiver with some information concerning their views of how a transition could take place. While neither set forth details regarding how, exactly, the plans would be instituted or

the data migrated to new platforms, they both addressed three broad topics: staffing, leasing, and third-party vendor contracts. Unfortunately, while there is some overlap between the Studio and South versions, there are fundamental disagreements between the two. The disagreements are not trivial: there are discrepancies regarding: how many employees should be kept on at DCEH; which software licenses are “critical” for transition; and, how funds should flow to pay for the expenses incurred in the transition period. South, in particular, is critical of a number of elements of Studio’s proposal and has made it clear to the Receiver that it does not find Studio’s proposal to be acceptable. The Receiver has not received sufficient detail to assess the competing plans, determine what proposals are still needed from the parties, and to propose a plan he believes is fair to all concerned.

Complicating the issue is the fact that the undersigned has been preparing for a trial scheduled to proceed on Friday, March 29, in the United States Bankruptcy Court for the Northern District of Ohio, Eastern Division, in an adversary proceeding captioned *AllCare Medical Services, LLC v. Erick Etienne LaGroux, et al.*, Adv. No. 17-04045. The underlying bankruptcy case is *In re: Erick Etienne LaGroux*, Case No. 17-40198.

The Receiver is therefore asking for a two-week extension of time in which to propose what he believes is a fair plan to migrate the data, contracts, and services to Studio and/or South. While it would ideal for South and Studio to agree on that proposal – and the Receiver fully intends to try to find common ground for the parties – the Receiver will make a proposal on or before April 9, 2019. If South and Studio have not reached consensus and approved the Receiver’s proposal, they can then appear and object as they see fit.

Dated: March 25, 2019

Respectfully submitted,

/s/ Mary K. Whitmer

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